WHAT IS CLAIMED IS:

 A content distribution system composed by connecting a distribution server and a terminal device through a network, wherein

said distribution server comprises:

embedding means for converting user identification information and a storage definition flag into watermark information through prescribed spreading modulation and embedding the watermark information in content, the user identification information uniquely assigned to said terminal device, the storage definition flag indicating its state previously set on said terminal device side;

encryption means for performing prescribed encryption on said content having said watermark information embedded therein; and

transmitting means for transmitting said content encrypted, to said terminal device through said network, and

said terminal device comprises:

reception means for receiving said content;
extraction means for extracting said user
identification information and said storage definition flag
by performing prescribed processing on said watermark
information embedded in said content;

decryption means for decrypting said encryption of

said content depending on the existence of said user identification information;

judgement means for judging based on the state of said storage definition flag whether said content decrypted should be encrypted before being stored; and

storage means for storing said content having said watermark information embedded therein.

The content distribution system according to Claim 1, comprising

a management server provided on said network for making prescribed notification or warning to said terminal device when content distributed from said terminal device is detected and said user identification information is detected from the content.

3. The content distribution system according to Claim 2, wherein

said management server makes said notification or warning to said terminal device depending on whether said user identification information detected matches user identification information uniquely assigned to said terminal device.

4. A content distribution method of a content distribution system composed by connecting a distribution server and a

terminal device through the network, wherein:
said distribution server comprises:

a first step of converting user identification information and a storage definition flag into watermark information through prescribed spreading modulation and embedding said watermark information in content, the user identification information uniquely assigned to said terminal device, the storage definition flag indicating its state previously set on said terminal device side;

a second step of performing prescribed encryption on said content having said watermark information embedded therein; and

- a third step of transmitting said content encrypted, to said terminal device through said network, and said terminal device comprises:
 - a fourth step of receiving said content;
- a fifth step of extracting said user identification information and said storage definition flag by performing prescribed processing on said watermark information embedded in said content;
- a sixth step of decrypting said encryption of said content depending on the existence of said user identification information;
- a seventh step of judging based on the state of said storage definition flag whether said content decrypted

should be encrypted before being stored; and an eighth step of storing said content having said watermark information embedded therein.

5. The content distribution method according to Claim 4, comprising

a ninth step of making a prescribed notification or warning to said terminal device when content distributed from the terminal device over said network is detected and said user identification information is detected from the content.

6. The content distribution method according to Claim 5, wherein

said ninth step makes said notification or said warning to said terminal device depending on whether said user identification information detected matches user identification information uniquely assigned to said terminal device.

7. A content distribution method of a content distribution system composed by connecting a distribution server and a terminal device through a network, wherein:

said distribution server comprises:

a first step of adding user identification information and a storage definition flag to content, the user identification information uniquely assigned to said

terminal device; the storage definition flag indicating its state previously set on said terminal device side;

a second step of performing prescribed encryption on said content having said user identification information and said storage definition flag added thereto; and

a third step of transmitting said content encrypted, to said terminal device through said network, and said terminal device comprises:

- a fourth step of receiving said content;
- a fifth step of extracting said user identification information and said storage definition flag from said content;
- a sixth step of decrypting said encryption of said content depending on the existence of said user identification information:

a seventh step of judging based on the validly of said user identification information whether said user identification information should be converted into watermark information through prescribed spreading modulation and then the watermark information should be embedded in said content;

an eighth step of judging based on the state of said storage definition flag whether said content decrypted should be encrypted before being stored; and

a ninth step of storing said content having said

watermark information embedded therein.

8. A content distribution method of a content distribution system composed by connecting a distribution server and a terminal device through a network, wherein:

said distribution server comprises:

- a first step of adding user identification information and a storage definition flag to content, the user identification information uniquely assigned to said terminal device, the storage definition flag indicating its state previously set on said terminal device side;
- a second step of performing prescribed encryption on said content having said user identification information and said storage definition flag added thereto; and
- a third step of transmitting said content encrypted, to said terminal device through said network, and said terminal device comprises:
- a fourth step of receiving and storing said content in prescribed storage means;
- a fifth step of, when said content is read from said storage means as required, extracting said user identification information and said storage definition flag from the content;
- a sixth step of decrypting said encryption of said content depending on the existence of said user

identification information;

a seventh step of converting said user identification information into watermark information through prescribed spreading modulation and embedding the watermark information in said content decrypted;

an eighth step of storing said content having said watermark information embedded therein, in said storage means.

9. A terminal device for managing content, comprises extraction means for, when watermark information generated by performing prescribed spreading modulation on user identification information and a storage definition flag is embedded in content, extracting said user identification information and said storage definition flag by performing prescribed processing on said watermark information embedded in said content, the user identification information uniquely assigned to said terminal device, the storage definition flag indicating its state previously set on said terminal device side;

decryption means for, when said content has been encrypted, decrypting the encryption of the content depending on the existence of said user identification information;

judgement means for judging based on the state of said storage definition flag whether said content decrypted should be

encrypted before being stored; and

storage means for storing said content having said watermark information embedded therein.